

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, AUGUST 21, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, August 21, 2007, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Katzakian, and Mayor Johnson
Absent: Council Members – Mounce
Also Present: City Manager King, City Attorney Schwabauer, and Deputy City Clerk Perrin

B. TOPIC(S)

B-1 "Receive Status of San Joaquin County's Consideration of an Armstrong Road Agricultural/Cluster Zoning Classification"

City Manager King briefly introduced the subject matters.

Community Development Director Randy Hatch reported that since the 1980s the City has been looking at the possibility of a greenbelt between Stockton and Lodi and various efforts have been made through the 2x2x2 Committee (which is now defunct) that included representatives from Stockton, Lodi, and San Joaquin County and the Council-appointed Community Separator/Greenbelt Task Force, which is comprised of property owners and interested parties. The Task Force developed a draft preliminary program to create a greenbelt that would permit the continuation of agricultural uses as provided in the San Joaquin County zoning ordinance while at the same time allowing limited residential development to occur to provide an economic benefit to the property owners. Mr. Hatch reviewed the area covered in the proposal and the proposed legislative changes, as well as the provisions/restrictions in the proposed zone including, but not limited to, credits per acres of ownership, minimum lot size, limited public improvements, and annexation into and services provided by the City. The plan was not adopted by Council as members of the Task Force, who were also property owners in the area, requested time to develop an alternative plan.

In the meantime, the City submitted a greenbelt concept to the Council that would ensure the preservation of existing crop production and that development is consistent with the existing agricultural/rural uses on large parcels required by the current County general agriculture designation. Mr. Hatch reviewed the area covered by the proposal and the proposed legislative changes, as well as the permitted uses in the proposed zone including, but not limited to, no additional development in the area permitted except for uses currently permitted in the County's land use designation, only agricultural related activities and divisions of land with a minimum size of 40 acres permitted, and land not to be annexed into the City. The proposal went before the Task Force, Planning Commission, and Council; however, it was delayed for six months at the request of the property owners in order for them to solidify their proposal and present it to the County.

The property owners developed a concept to create an "Armstrong Road Agricultural/Cluster Zoning Classification" to create a buffer between Stockton and Lodi without depriving property owners of their Constitutional and legal rights and to promote the buffer area without the significant expenditure of taxpayers' money. The proposed provisions/restrictions in the zone include, but are not limited to, subject area would remain under the County jurisdiction, creation of residential parcel for each five acres of land, eligible building site size, encouragement of cluster development (but not a requirement), and subdivider relinquishing right to further subdivide property. The concept was presented to the County Board of Supervisors on June 5, at which time County staff was asked to

prepare supplemental information and report back in September on the affects of this proposal as it relates to density, business, services, irrigation, roads and traffic, and large nearby parcels. The Board could either direct County staff to utilize the proposal and incorporate the language or wait until the County updates its General Plan. County staff estimates it could cost \$200,000 to \$300,000 to move this proposal forward and it would require an Environmental Impact Report.

In response to Council Member Hansen, Mr. Hatch estimated that the County is two to three years away from completing its General Plan as it has not yet begun the process.

Mr. Hatch provided a detailed comparison of the three concepts, pointing out the similarities and differences in the intent, area covered by the proposals, and the proposed provisions/restrictions of the proposals.

Council Member Hansen expressed concern that the cost of extending water and sewer services to a small number of parcels would be expensive, to which Mr. Hatch stated that the details and costs have not been analyzed; however, he added that an internal subsidy may be worth the cost in order to create a greenbelt that is of high value to this community. In order for the area to be annexed into the City, the provision of services is a key requirement.

Council Member Hitchcock stated that the proposal by the property owners appears not to protect the area or preserve open space. Mr. Hatch stated that the development of five-acre properties allows for agricultural uses. The City of Lodi's provisions would allow for some development, but it would not open up the possibility to intensive suburban type development.

Mr. King stated that this matter would come back to Council for direction at its second meeting in September.

Ken Vogel, Lodi's representative on the San Joaquin County Board of Supervisors, informed Council that the Board had several questions regarding the proposal that it requested County staff to research, including clarification of the language regarding clustering and whether zoning would be mandatory or voluntary.

Public Works Director Prima stated that no analysis has been done on the cost of water and sewer services and some discussion will be necessary on the level of service to be provided. There may also be concerns at the State level regarding contamination in wells and septic tanks; therefore, alternative methods may be necessary for the rural residents.

Pat Patrick, Executive Director of the Lodi Chamber of Commerce, believed that the proposal from the property owners fell short in the area covered and was concerned that Stockton would develop the area to the west, which is not included in the proposal, particularly since the area is near a major thoroughfare. In addition, he believed it was crucial to maintain the orchards and vineyards surrounding Lodi for economic reasons as Lodi is a wine destination.

Bruce Fry expressed support for the proposed zoning and for maintaining the farming and agricultural community in Lodi.

A citizen residing north of Eight Mile Road (who did not identify herself) questioned if her property would become part of Stockton in the future, to which Mr. King responded that, although Stockton's sphere of influence was not completed, the likelihood was possible.

B-2 "Receive Report on San Joaquin Local Agency Formation Commission Draft Policies and Procedures"

Mr. Hatch reported that the Local Agency Formation Commission (LAFCO) is required to have written policies and procedures in place, which it has recently updated and was reviewed at its last meeting. Staff is concerned with Section 4 of the policy, "Open Space and Rural Lands," because it discourages open space and development that was "not planned for." The language states that LAFCO would only approve lands within a sphere of influence that would be slated for full development within a 20-year timeframe. Section 5, "Community Separators," encourages greenbelts; however, it does not use the concept of a sphere of influence to make that happen. Section 10, "Areas of Interest," would allow a geographic designation as being in a city's area of interest; however, it has no real authority or power, and the guidelines do not address how the land is designated. The main concern is that the draft policies and procedures do not allow cities to utilize the tools it has, such as a sphere of influence, for land use planning.

In response to Council Member Hansen, City Attorney Schwabauer stated that LAFCO already has the power to approve or deny a sphere of influence and the proposal to not use a sphere of influence for the purpose of a greenbelt would not matter. A city's best defense would be a writ of mandate against LAFCO; however, the outcome would be unclear. In further response, Mr. Schwabauer stated that, if the City wished to adopt an AL-5 zone and annex the property into its limits, LAFCO would have a difficult time denying the application because there would be an intention of services.

Mr. King believed that LAFCO's proposal encouraged those cities that are most aggressive to receive sphere of influence amendments and that a 20-year timeframe for planning of infrastructure is too short a time horizon.

Mr. Hatch stated that LAFCO took no action on the policies and procedures and continued its last meeting to September. The planning directors within the county are joining together to weigh in on the matter.

In response to Council Member Hansen, Bruce Fry stated that the property owners do not wish to be annexed into the City of Lodi and that the AL-5 zoning allows the potential for capital. Council Member Hansen stated that he believed the County would not support the AL-5 zoning, to which Mr. Fry believed it would if there was support from the City.

Pat Patrick believed it was not the job of LAFCO to tell cities what its plans are for the future and if the farming community and the City could find common ground based on shared economic interest, LAFCO and the County would support the zoning request.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:29 a.m.

ATTEST:

Jennifer M. Perrin
Deputy City Clerk



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive status of San Joaquin County's consideration of an Armstrong Road Agricultural/Cluster Zoning Classification.

MEETING DATE: August 21, 2007

PREPARED BY: Randy Hatch, Community Development Director

RECOMMENDED ACTION: Receive status report on San Joaquin County's consideration of an Armstrong Road Agricultural/Cluster Zoning Classification.

BACKGROUND INFORMATION: As an outgrowth of the work of the Greenbelt Task Force, in the Fall of 2006 the City developed "Lodi Agriculture/Greenbelt Community Separator General Plan and Sphere of Influence Amendments". The City prepared an environmental Initial Study and published and distributed a Notice of Intent to adopt a Negative Declaration for these proposed Amendments. The proposed Amendments in summary, would establish a General Plan designation of "Agriculture/Greenbelt for an approximately 3 ½ square miles located south of the City's existing limits (see attached exhibit). Text revisions were also proposed as well as an amendment to the City's Sphere of Influence to add an approximately 2 square mile area south of Armstrong Road to the City's future planning area. During Council deliberations of this topic, property owners and residents of the effected area requested the Council postpone their consideration to allow the property owners time to work with San Joaquin County to explore a possible alternative proposal. The Council granted the property owners their request and postponed further consideration of the proposed General Plan and Sphere of Influence Amendments for an approximate six month period.

Since the beginning of 2007, the property owners have developed a proposal "The Armstrong Road Agricultural/Cluster Zoning Classification" (see attached). This proposal was submitted to the County for consideration. At their regular meeting of June 5, 2007, the Board of Supervisors considered this proposal. The Board heard testimony and asked County Staff to prepare a supplemental report to the Board. This report will focus on specific questions and issues of the Board including possible impacts of the property owners proposal to: population density, businesses, services, irrigation, roads and traffic and bi-sected large parcels. According to County Staff, this report is expected to go to the Board in September 2007. Possible direction to County Staff could include: to take the property owners proposal, re-draft into County Ordinance language and consider; or to wait until the County's General Plan Update to consider inclusion into that process.

An analysis of the proposed Armstrong Road Agricultural/Cluster zoning classification will be provided at the shirtsleeve meeting – highlighting the issues of clustering and comparing it to the Transferable Development Rights proposal considered by the Greenbelt Task Force.

APPROVED: _____


Blair King, City Manager

FISCAL IMPACT:

County staff has indicated that the County will incur costs ranging from \$200,000 to \$300,000 to consider the Landowners proposal.

FUNDING AVAILABLE:

N/A


For: Randy Hatch
Community Development Director

RH/kjc

Attachment:

1. Lodi Agriculture/Greenbelt Community Separator General Plan and Sphere of Influence Amendments
2. The Armstrong Road Agricultural/Cluster Zoning Classification.

**Armstrong Road
Agricultural/Cluster Zoning
Classification**

THE ARMSTRONG ROAD AGRICULTURAL/CLUSTER ZONING CLASSIFICATION.

9-611.

INTENT.

The intent of this Chapter is to create a zoning classification known as the Armstrong Road Agricultural/Cluster Zoning Classification. The purpose of this zoning classification is to promote a buffer area between the City of Lodi and the City of Stockton without depriving property owners located within the buffer area of their Constitutional and legal rights and to promote this buffer area without the significant expenditure of taxpayer money.

9-611(A).Adoption Of Armstrong Road Agricultural/Cluster Zone.

The San Joaquin Zoning Title is amended to include the Armstrong Road Agricultural/Cluster Zone. The Armstrong Road Agricultural/Cluster Zone shall be applicable to all territory within the following identified boundary:

one-half a mile north and one-half a mile south of the Armstrong Road centerline between State Highway Route 99 and Interstate Highway I-5. The north and south boundaries may be altered to coincide with existing section lines.

9-611(B). Uses Authorized In The Armstrong Road Agricultural/Cluster Zone.

9-611(B).1.A property owner within this zone shall be entitled to one residential building permit for each five acres of land that the property owner owns.

9-611(B).2. An eligible building site within this Zone, subject to County standards relating to cul-de-sacs, water wells and septic tanks, may, at the sole discretion of the property owner, be less than five acres. In applying this rule, it is the intention of the County to maintain the maximum amount of land within the Zone in viable agricultural production.

9-611(B).3.To the extent practical, residential lots shall be designed in a cluster for the purpose of retaining the maximum amount of land in agricultural production and/or open space. However, one residential lot, at the discretion of the subdivider, may be located on the largest parcel of property.

9-611(B).4.All uses permitted, either as a matter of right or with a discretionary permit, in the General Agricultural Zone Classification would be permitted uses in this zoning classification

9-611(B).5. The environmental document prepared and certified for this Ordinance shall be valid for use in any landowner request to divide property as provided for under this Zoning Classification unless there substantial evidence is presented to support the circumstances identified in Public Resources Code section 21166.

9-611(B).6. If a property owner does not seek the benefits of the Zoning District through a subdivision map then the property owner shall not be deprived of their property rights, including the right to seek annexation to either Lodi or Stockton or to otherwise petition government for approval of other uses for real property located within the Zoning Classification.

9-611(C)

Divisions Of Land.

9-611(C).1. A landowner shall be entitled to create one parcel eligible for a residential building permit for each contiguous five acres owned by that landowner. Parcel size may be a minimum of one acre, subject to County development standards.

9-611(C).2. All building lots shall be served by on-site well water and on-site septic tanks unless the property owner decided to provide public or municipal services

9-611(C).3. The County shall encourage and approve lot line adjustments between adjoining property owners to facilitate the location and number of residential building lots and/or to facilitate the clustering of building lots.

9-611(C).4. A division of land authorized under this Zoning Classification would be subject only to those conditions of approval authorized by ordinance by the County and which apply to territory within the General Agricultural Zoning Classification.

9-611(C).5. A division of land shall be designed to cluster residential lots except at the discretion of the subdivider one lot may be located on the largest or remainder parcel.

9-611(C).6. As a condition of approving the subdivision, the subdivider shall enter into a binding agreement with the County of San Joaquin relinquishing the right of the subdivider, or successors in interest, to further subdivide the real property to the County of San Joaquin.

Previously Prepared Attachments

Lodi Agriculture/Greenbelt Community Separator General Plan and Sphere of Influence Amendments File No. 06-GPA-LU-03

PROJECT INFORMATION

1. Project Title:

Lodi Agriculture/Greenbelt Community Separator General Plan and Sphere of Influence Amendments.

2. Project Applicant Name and Address:

City of Lodi
Community Development Department
221 W. Pine Street
Lodi, CA 95240

3. Contact Persons and Phone Numbers:

Randy Hatch, Community Development Director, 209.333.6711
Jennifer Craven, Contract Planner, 510.540.7331

4. Project Location: Depicted in Figure 1.

- Northern boundary – Approximately ½-mile north of Armstrong Road;
- Southern boundary – Approximately ¾-mile south of Armstrong Road;
- Western boundary – Approximately ¼-mile west of Lower Sacramento Road; and
- Eastern boundary – State Route 99 (SR 99).

5. Property Owner: Multiple.

6. General Plan Designation:

- *City of Lodi* – Planned Residential Reserve (PRR) (area ½ mile north of Armstrong Road only) (see Figure 4).
- *County of San Joaquin* – General Agricultural (A/G), Public (P), and Open Space and Recreation (OS/RC) (see Figure 5).

7. Zoning:

- *City of Lodi* – None.
- *County of San Joaquin* – AG-40 (General Agricultural, Minimum Parcel Size of 40 Acres); and Public Facilities (P-F) (see Figure 6).

8. Description of Project: General Plan and Sphere of Influence (SOI) amendments to establish an agriculture/greenbelt community separator area between Lodi and the City of Stockton (described above for more detail, depicted in Figure 3, and defined in Attachment 1).

9. Surrounding Land Uses and Setting: As depicted in Figure 2, surrounding land uses to the north, west, south, and east are similar to those within the plan area. The uses are primarily

comprised of agriculture/viticulture, live stock keeping and grazing, and rural residential uses. Farther west, a small, private general aviation airstrip operates (west of the Lodi Airstrip, described in the Project Description). To the northwest of the plan area, there is an established low density single-family residential neighborhood (Springer Lane area). East of SR 99, uses are comprised of similar agriculture/viticulture operations and smaller rural residential parcels (designated for five acre lots). Northeast of the plan area is the recently approved Reynolds Ranch 220-acre master planned community site, currently occupied by agricultural, rural residential and quasi-public uses (i.e., Moose Lodge).

10. Other Public Agencies Whose Approval is Required: San Joaquin County Local Agency Formation Commission (LAFCo) for Sphere of Influence (SOI) Amendment.

PROJECT DESCRIPTION

The City of Lodi has initiated amendments to its General Plan and Sphere of Influence (SOI) to establish an approximately 3½ square mile agriculture/greenbelt community separator area (“plan area”) located in unincorporated San Joaquin County between Lodi and the City of Stockton. As depicted in Figure 1, the 3½ square mile (i.e., 2,280 acres) plan area is located south of Lodi’s existing corporate boundary, extends ½ mile north of Armstrong Road to approximately ½ to ¾ mile south of Armstrong Road, approximately ¼ mile west of Lower Sacramento Road, and east to State Route 99.

Agriculture/viticulture and related uses, live stock keeping/grazing, and rural residences are the dominate land uses in the plan area, as depicted in Figure 2 (*Aerial Photo of Plan Area*). Other uses in the plan area include a portion of the Lodi Airstrip (west of Lower Sacramento Road), a mobile home park (adjacent to the S-curve in North West Lane), and the 258-acre Micke Grove Regional Park. The Woodbridge Irrigation District (WID) main canal transects the central portion of the plan area generally in a north-south direction, and the Pixley Slough transects the southeast portion of the area generally in an east-west direction.

The entire plan area is currently located outside of Lodi’s existing SOI, as well as Stockton’s existing and proposed SOI boundaries (Figure 3), and only the area located north of Armstrong Road is currently included within the General Plan’s planning area. Figure 4 depicts the existing Lodi General Plan and SOI boundaries adjacent to the plan area (currently designated Planned Residential Reserve). The majority of the plan area is designated General Agriculture (A/G) on the San Joaquin County General Plan Land Use Map (Figure 5) and is zoned General Agriculture (AG-40; 40 acre minimum parcel size) on the San Joaquin County Zoning Districts Map (Figure 6).

The project includes the following components:

- 1) The establishment of a new Lodi General Plan Land Use Designation for the plan area, referred to as Agriculture/Greenbelt (Attachment 1);
- 2) Establishment of a new implementation program for the agriculture/greenbelt planning area (Attachment 1; Implementation Program LU-19);
- 3) Minor text revisions to existing Lodi General Plan policies to ensure that preservation of the agriculture/greenbelt area between Lodi and Stockton is achieved (Attachment 1);

- 4) Re-designation of an approximately 1½ square mile area located north of Armstrong Road currently designated Planned Residential Reserve (PRR) to Agriculture/Greenbelt on the Lodi General Plan Land Use Diagram (Figure 7);
- 5) Designation of an approximately 2 square mile area located south of Armstrong Road as Agriculture/Greenbelt on the General Plan Land Use Diagram (Figure 7); and
- 6) Amendment to the City's SOI boundaries to add an approximately 2 square mile area south of Armstrong Road to the City's future planning area (Figure 7).

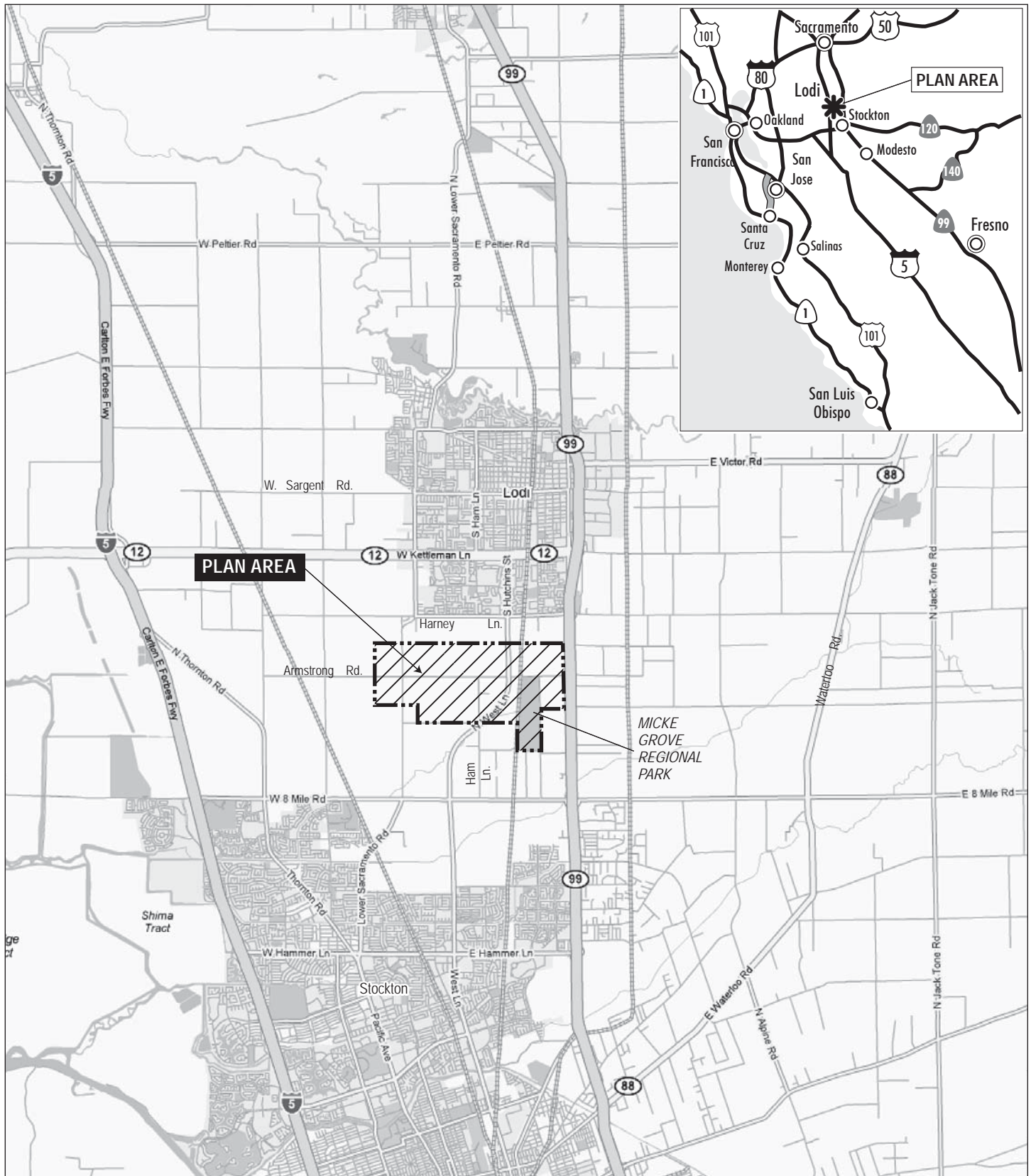
The proposed amendments would not result in any physical development. Instead, the Lodi General Plan and SOI amendments have been initiated to ensure that preservation of existing commercial agriculture/viticulture crop production and operation, which establishes and provides the "agriculture/greenbelt" character and community separator of the plan area, is achieved. Development in the plan area would be required to be consistent with the existing agricultural/rural uses on large parcels with a minimum size of 40 acres, and required by the underlying San Joaquin County General Plan General Agricultural (A/G) land use designation for the area.

Further, the City of Lodi is not pursuing annexation of the plan area as a part of this project. As such, no change in existing service providers would result and, correspondingly, no analysis is provided speculating which services may eventually be provided by the City in the future if annexation of the plan area occurred. Instead, the Lodi General Plan amendment includes Implementation Program LU-19, which provides the following direction:

"The City shall establish a program addressing the long-range preservation and development within agriculture/greenbelt areas. This program shall include, at a minimum, a thorough planning process involving all interested stake-holders (including local farmers, residents and business owners within the City limits, study area, and surrounding community) that would result in the specific locations and intensities of land uses, circulation system, infrastructure, services, financing plan, as well as design guidelines and other implementation measures."

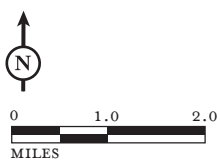
As such, prior to initiating annexation of the plan area, the City would establish the program provided for by Implementation Program LU-19, including a determination of which public services, utilities, and infrastructure would be transferred from County to City providers. Consistently, at the time annexation is pursued in the future, additional environmental analysis would be conducted to evaluate proposed changes to service providers, utilities, and infrastructure within the plan area.

The City of Lodi is the lead agency for this project. The San Joaquin County Local Agency Formation Commission is a responsible agency for this project, and will use this Initial Study/Negative Declaration in making its determination on the City initiated amendment to its Sphere of Influence (SOI).



SOURCE: GOOGLE.COM; LSA ASSOCIATES, INC., 2006

FIGURE 1

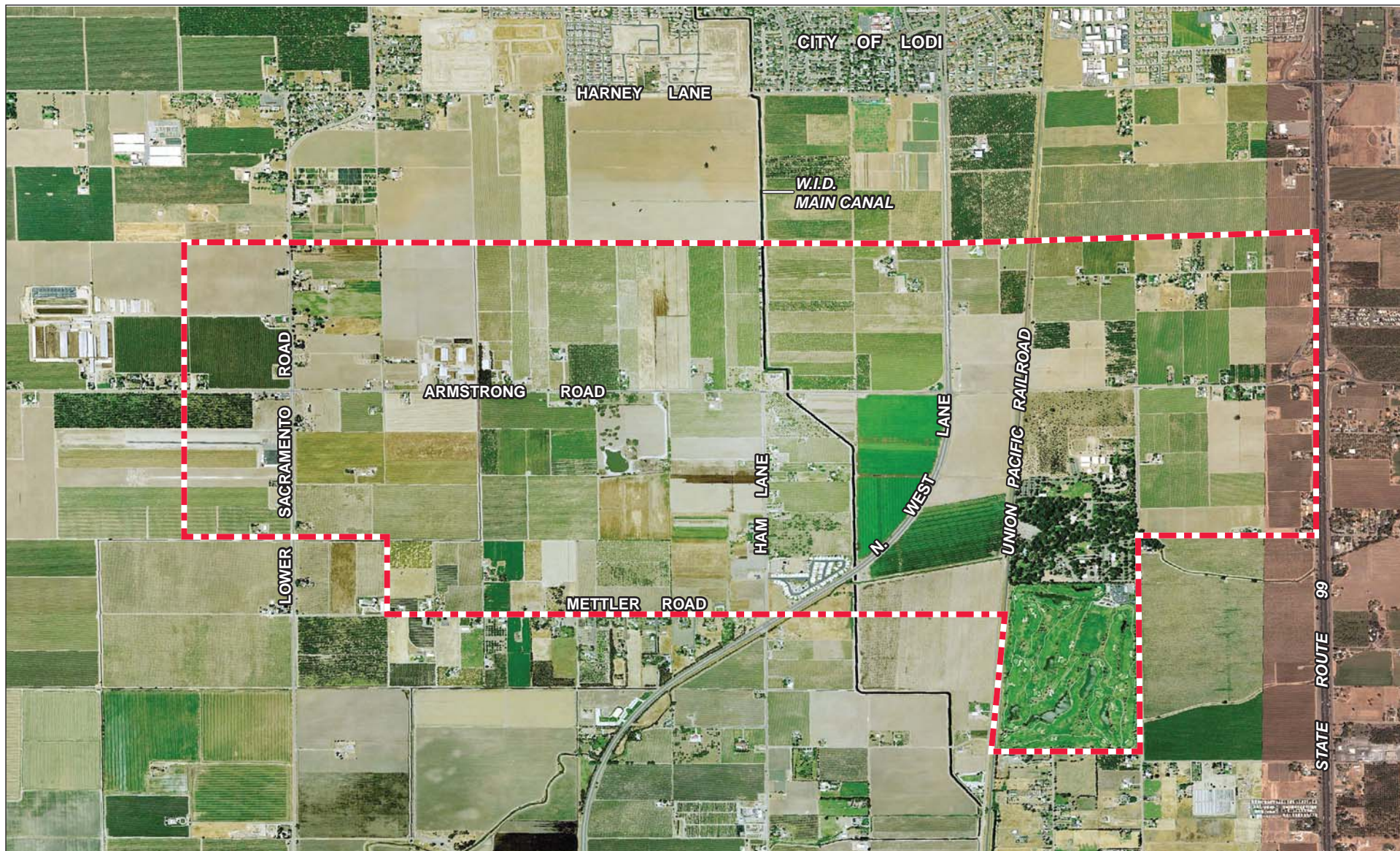


LEGEND



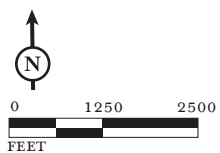
PLAN AREA

*Lodi Ag/Greenbelt General Plan
and Sphere of Influence Amendments
Plan Area Vicinity and
Regional Map Locations*



SOURCE: GLOBEXPLORER; LSA ASSOCIATES, INC., 2006

FIGURE 2

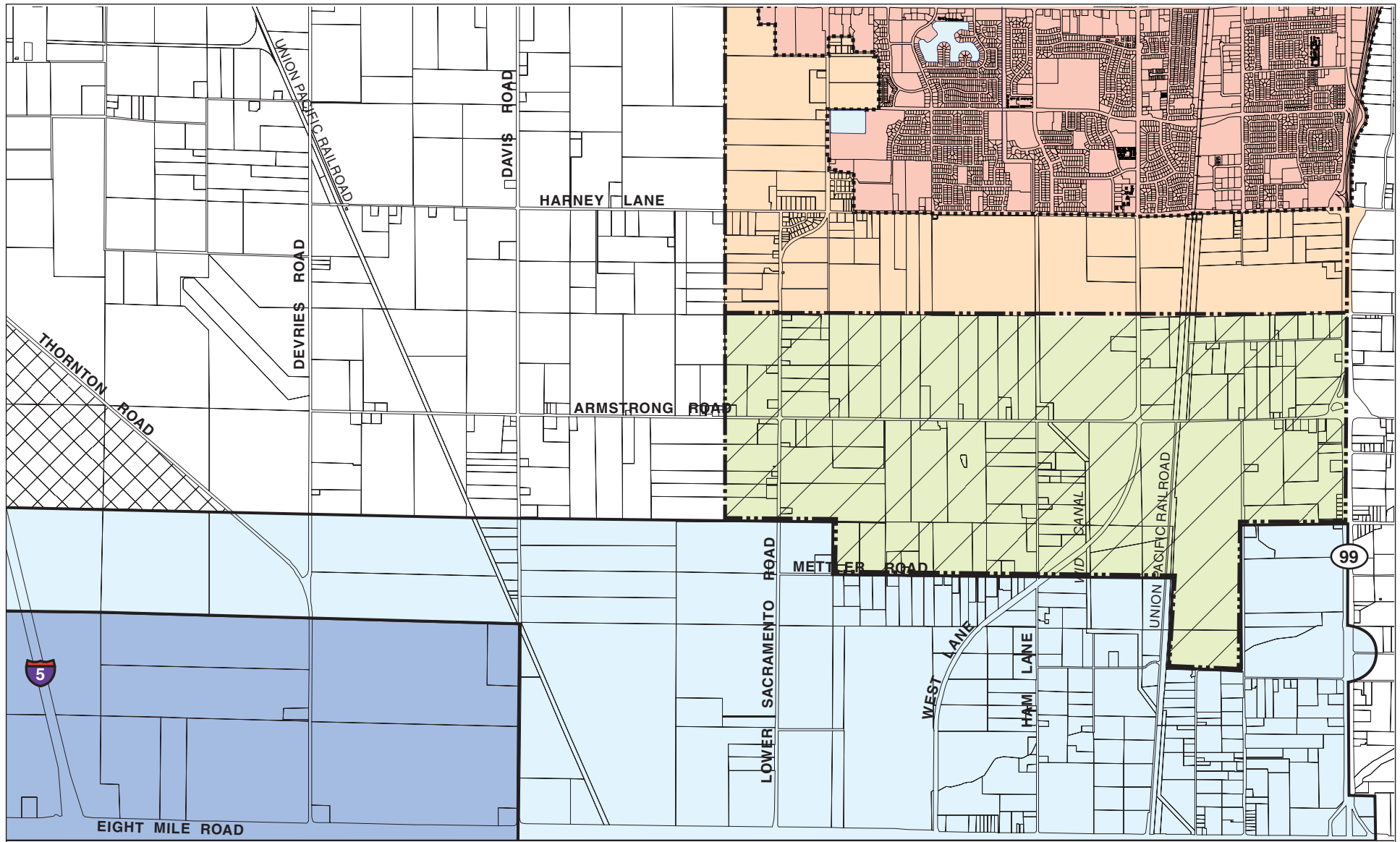


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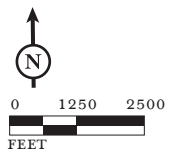
PLAN AREA

*Lodi Ag/Greenbelt General Plan
and Sphere of Influence Amendments
Aerial Photo of Plan Area*










SOURCE: CITY OF LODI, 2006; SAN JOAQUIN COUNTY LAFCO, 2005

FIGURE 3

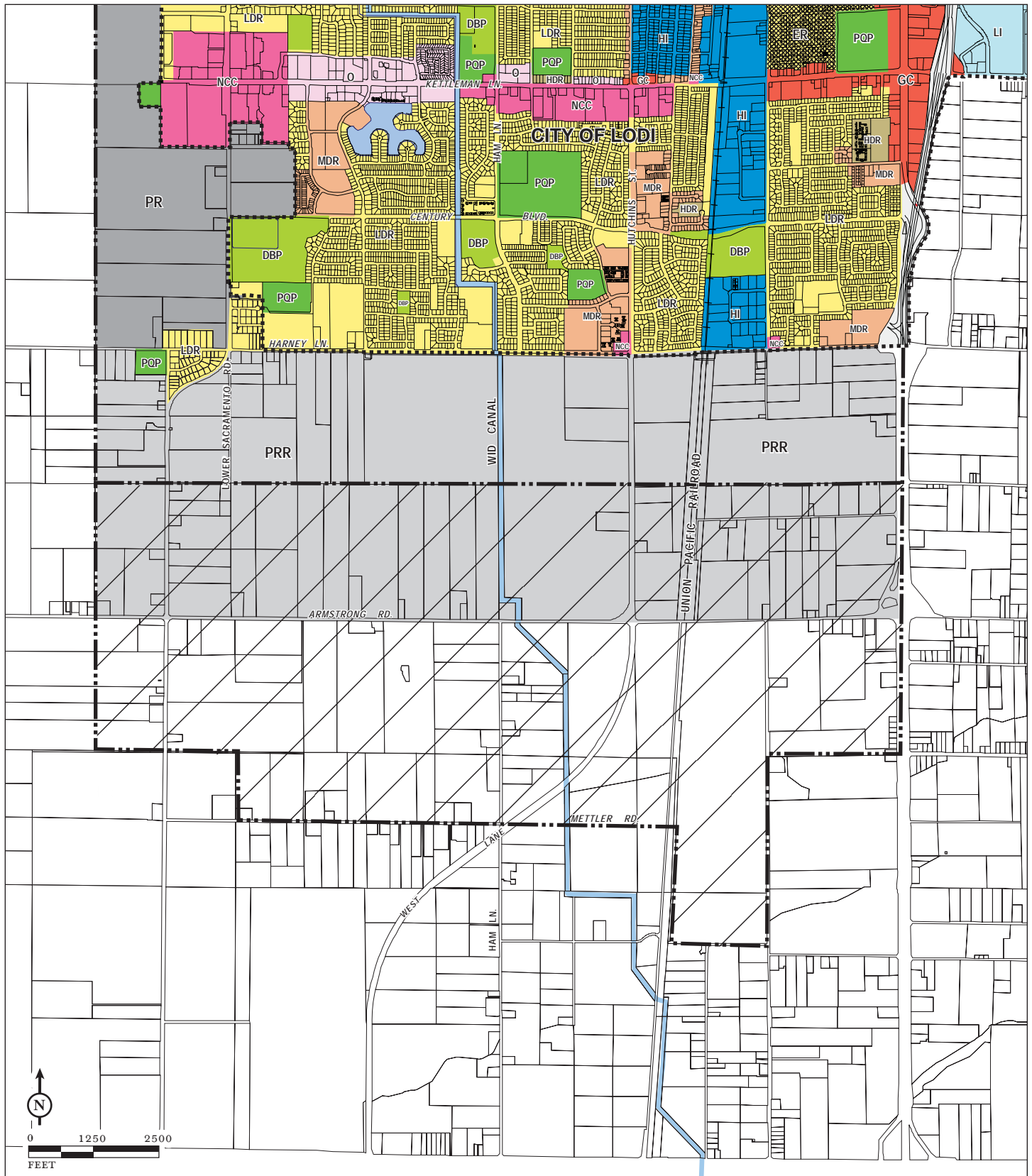


LEGEND

-  CITY OF LODI CORPORATE BOUNDARIES
-  EXISTING CITY OF LODI SPHERE OF INFLUENCE
-  CITY OF LODI WHITE SLOUGH WATER POLLUTION CONTROL FACILITY

-  CITY OF STOCKTON CURRENT SPHERE OF INFLUENCE
-  PROPOSED EXTENSION OF CITY OF STOCKTON SPHERE OF INFLUENCE
-  PROPOSED LODI GENERAL PLAN AG/GREENBELT DESIGNATION
-  PROPOSED AMENDMENT TO LODI SPHERE OF INFLUENCE

*Lodi Ag/Greenbelt General Plan
and Sphere of Influence Amendments
Proposed Amendments Map*



SOURCE: CITY OF LODI, 2006; SAN JOAQUIN LAFCO, 2005

FIGURE 4

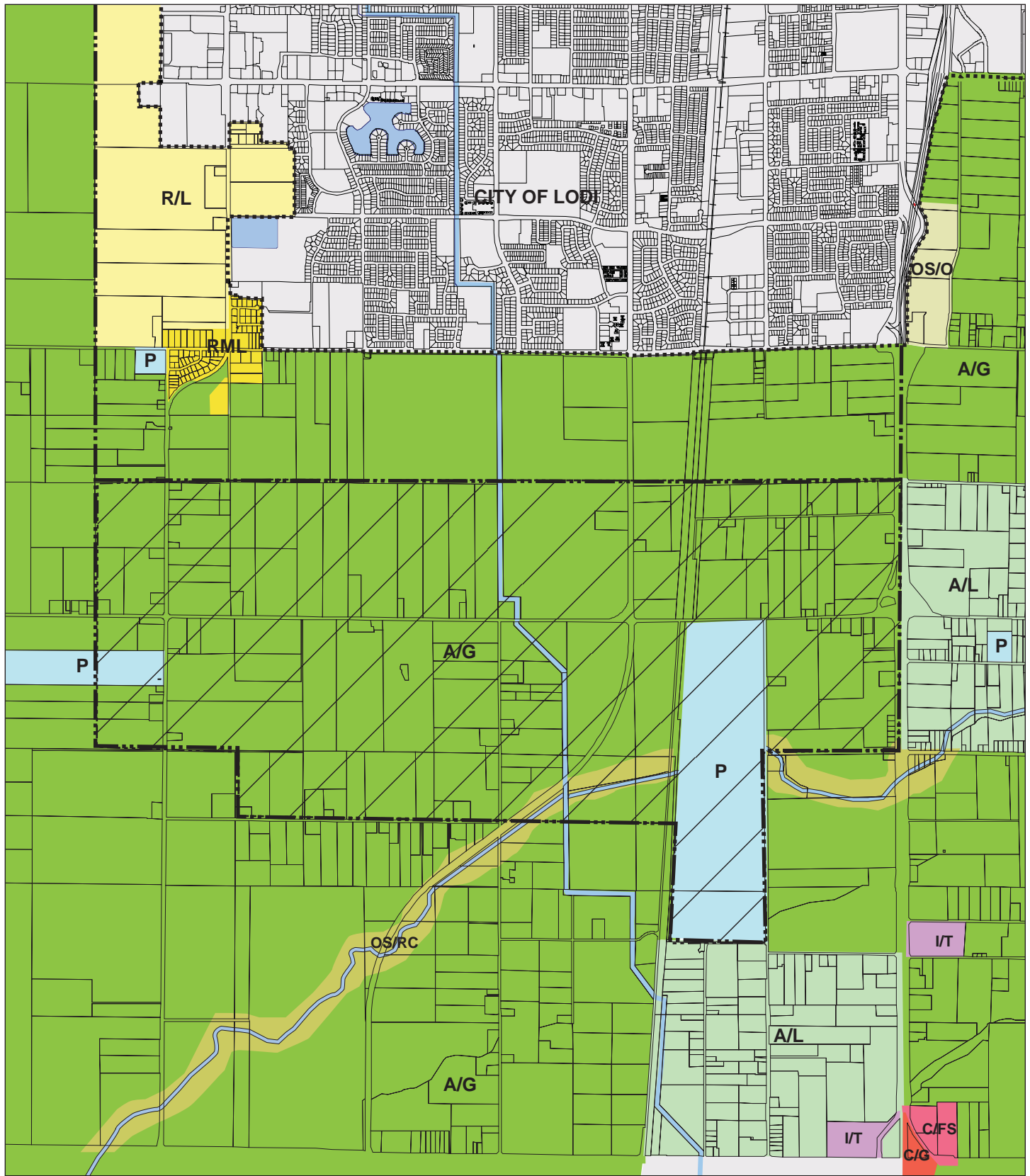
LEGEND

- LODI CITY LIMITS
- EXISTING LODI SPHERE OF INFLUENCE (SOI)
- AG/GREENBELT PLAN AREA AND PROPOSED SOI AMENDMENT

- EASTSIDE RESIDENTIAL (ER)
- LOW-DENSITY RESIDENTIAL (LDR)
- MEDIUM-DENSITY RESIDENTIAL (MDR)
- HIGH-DENSITY RESIDENTIAL (HDR)
- GENERAL COMMERCIAL (GC)
- NEIGHBORHOOD COMMUNITY COMMERCIAL (NCC)

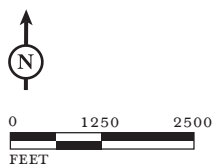
- OFFICE (O)
- HEAVY INDUSTRIAL (HI)
- LIGHT INDUSTRIAL (LI)
- PUBLIC-QUASI PUBLIC (PQP)
- DRAINAGE BASIN (DBP)
- PLANNED RESIDENTIAL (PR)
- PLANNED RESIDENTIAL RESERVE (PRR)
- WATER FEATURE/BODY

*Lodi Ag/Greenbelt General Plan
and Sphere of Influence Amendments*
City of Lodi General Plan
Designations and SOI Boundaries
In Relationship to Plan Area



SOURCE: CITY OF LODI, 2006; SAN JOAQUIN LAFCO, 2005

FIGURE 5

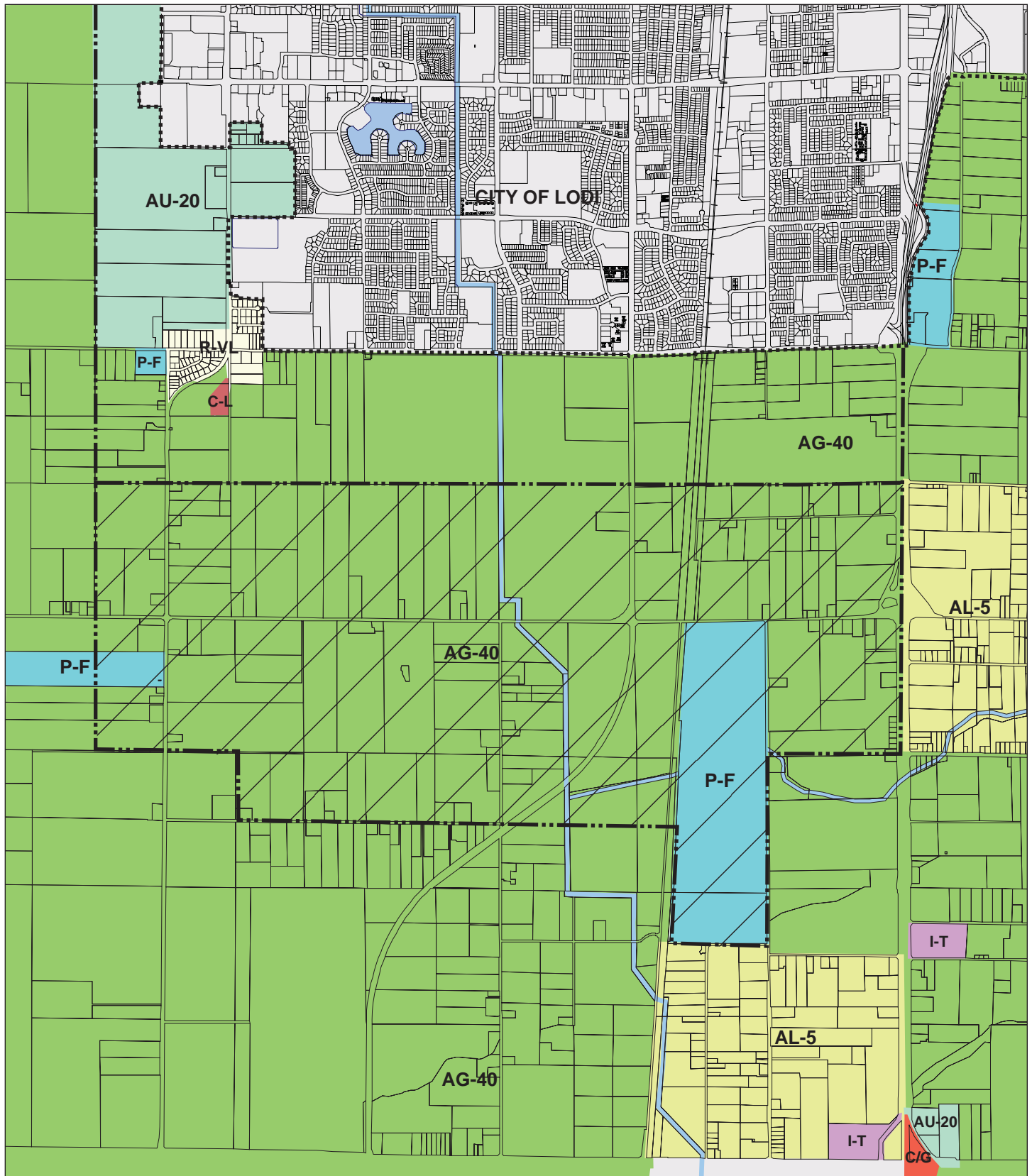


LEGEND

- LODI CITY LIMITS
- EXISTING LODI SPHERE OF INFLUENCE (SOI)
- AG/GREENBELT PLAN AREA AND PROPOSED SOI AMENDMENT
- MEDIUM LOW-DENSITY RESIDENTIAL (RML)
- LOW-DENSITY RESIDENTIAL (R/L)

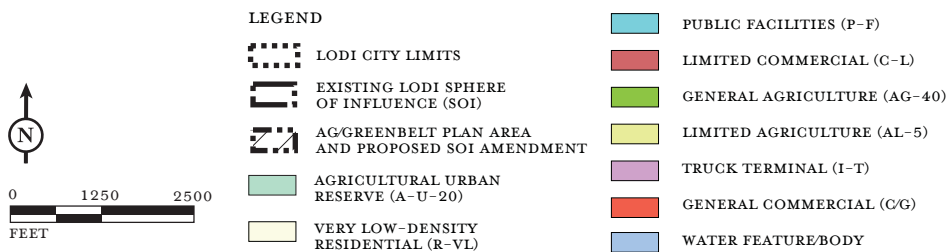
- GENERAL AGRICULTURE (A/G)
- PUBLIC (P)
- RESOURCE CONSERVATION (OS/RC)
- OPEN SPACE (OS/O)
- LIMITED AGRICULTURE (A/L)
- TRUCK TERMINAL (I/T)
- GENERAL COMMERCIAL (C/G)
- FREEWAY SERVICE (C/FS)
- WATER FEATURE/BODY

*Lodi Ag/Greenbelt General Plan
and Sphere of Influence Amendments*
County of San Joaquin
General Plan Land Use
Designations in Plan Area

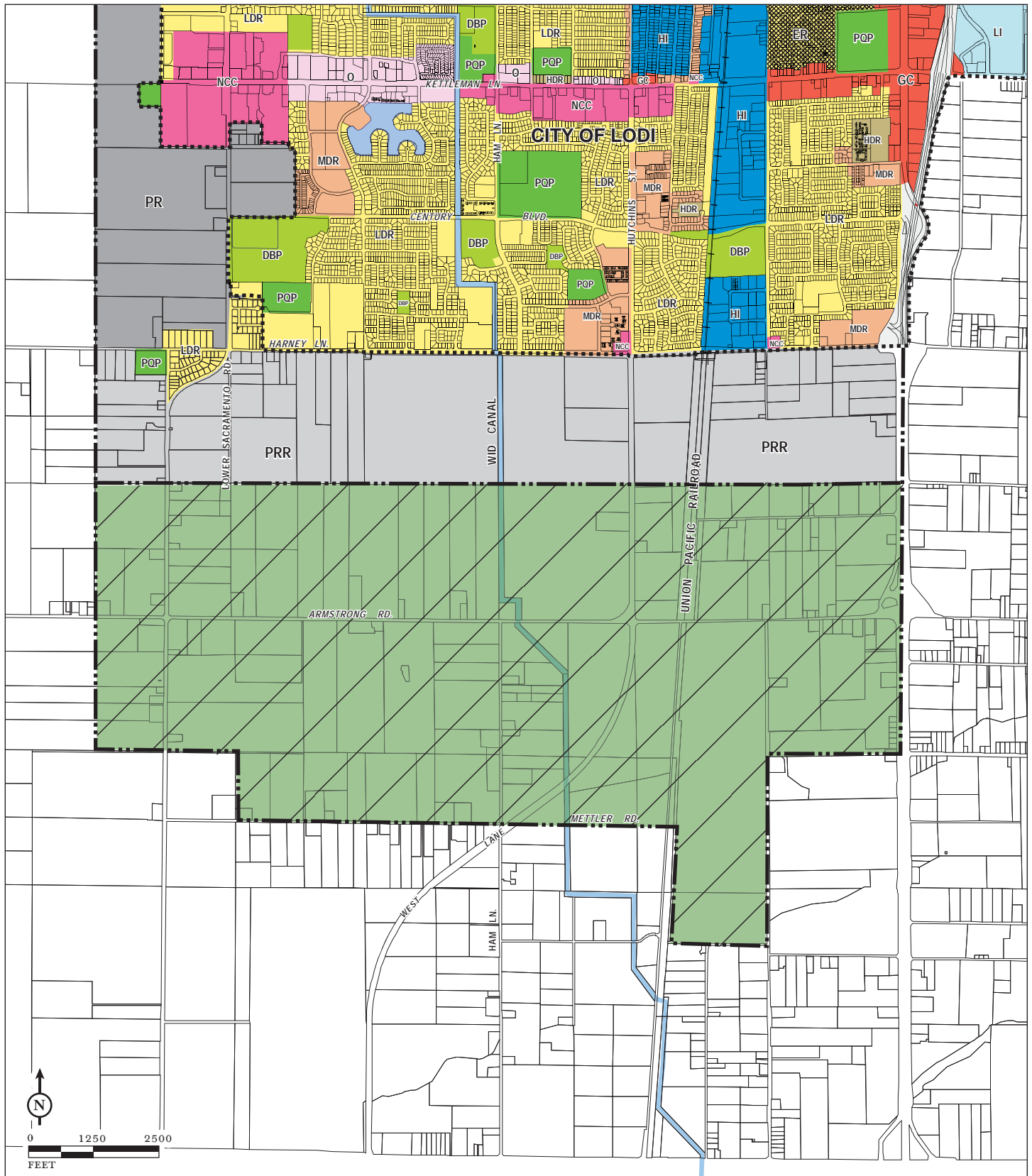


SOURCE: CITY OF LODI, 2006; SAN JOAQUIN LAFCO, 2005

FIGURE 6



*Lodi Ag/Greenbelt General Plan
and Sphere of Influence Amendments*
County of San Joaquin Zoning
Districts in Plan Area



SOURCE: CITY OF LODI, 2006; SAN JOAQUIN LAFCO, 2005

FIGURE 7

LEGEND

- LODI CITY LIMITS
- EXISTING LODI SPHERE OF INFLUENCE (SOI)
- PROPOSED AG/GREENBELT GENERAL PLAN DESIGNATION PLAN AREA AND SOI AMENDMENT

- EASTSIDE RESIDENTIAL (ER)
- LOW-DENSITY RESIDENTIAL (LDR)
- MEDIUM-DENSITY RESIDENTIAL (MDR)
- HIGH-DENSITY RESIDENTIAL (HDR)
- GENERAL COMMERCIAL (GC)
- NEIGHBORHOOD COMMUNITY COMMERCIAL (NCC)

- OFFICE (O)
- HEAVY INDUSTRIAL (HI)
- LIGHT INDUSTRIAL (LI)
- PUBLIC-QUASI PUBLIC (PQP)
- DRAINAGE BASIN (DBP)
- PLANNED RESIDENTIAL (PR)
- PLANNED RESIDENTIAL RESERVE (PRR)
- WATER FEATURE/BODY

Lodi Ag/Greenbelt General Plan and Sphere of Influence Amendments
**Proposed Lodi General Plan
 Agricultural Greenbelt
 Designation Plan Area and
 SOI Boundary Amendment**

General Plan Section 2: Land Use/Circulation Diagrams and Standards

Page 2-4

Ag/Greenbelt: This designation provides for the conservation and continued productive use of valuable agricultural ("ag") lands surrounding Lodi's urbanized area, ensures for a rural community separator between Lodi and the City of Stockton, and to serve as a visual amenity around urban development. In addition to agricultural and agricultural-related uses, single-family homes, parks, and open space uses could be located within the agriculture/greenbelt area. Because the City has established this area to retain low-intensity rural uses, the extension of municipal services (e.g., sewer, water, storm water) may not be provided. The minimum parcel size for the creation of new lots in this area is 40 acres, and only one residential unit per parcel is allowed. Comprised of approximately 2,280 acres, the ag/greenbelt area is located south of Lodi's existing City limits and extends ½-mile north of Armstrong Road, approximately ½- to ¾-mile south of Armstrong Road, approximately ¼-mile west of Lower Sacramento Road to the west, and is bounded by State Route 99 to the east, as depicted on the Land Use Diagram. Residential uses in this designation are assumed to have an average of 2.75 persons per household.

General Plan Section 3: Land Use and Growth Management (LU) Element

Page 3-1

Agricultural Land: The agricultural land that surrounds Lodi is valuable not only because of its high quality and productivity, but also because of its scenic resource value to area residents. The City has long acknowledged the importance of retaining this valuable asset, ~~but also recognizes the need to balance the needs of urban growth with those of Lodi's agriculturally based economy. This is a dilemma facing many Central Valley communities.~~

Page 3-4

Goal LU-A: To provide for orderly, well-planned, and balanced growth within the City's established corporate boundaries and sphere of influence (SOI), consistent with the limits imposed by the City's infrastructure and the City's ability to assimilate new growth.

Policy LU-A.1: The City shall seek to preserve Lodi's small-town and rural qualities, including the agricultural area surrounding Lodi that provides a community separator with adjacent communities.

Policy LU-A.3: The City shall ensure the maintenance of ample buffers between incompatible land uses, including urban and rural uses.

Goal LU-B: To preserve agricultural land surrounding Lodi, important to the City's economy and small town character, and to ~~discourage premature development of~~ prevent conversion of valuable agricultural land ~~with~~ to nonagricultural, urban uses, while providing for some urban needs.

Page 3-5

Policy LU-B.1: The City shall ~~encourage~~ ensure for the preservation of agricultural land surrounding the City.

Policy LU-B.2: The City ~~should designate~~ shall establish a continuous ag/greenbelt around the urbanized area of Lodi to maintain and enhance the agricultural economy, as well as to

provide a defined, physical edge between the community's urban and rural areas and with adjacent communities.

Policy LU-B.3: The City should coordinate and cooperate with San Joaquin County, ~~and the San Joaquin County Local Agency Formation Commission (LAFCO), and the City of Stockton~~ to ensure that the agriculture/greenbelt community separator is established, maintained, and preserved.

Policy LU-B.4: The City shall support the continuation of agricultural uses on lands designated for urban uses located within the City's corporate boundaries until urban development is imminent.

Page 3-10

Implementation Program LU-1: The City shall request the San Joaquin County LAFCO to adopt a sphere of influence for Lodi based on the long-term growth plans of the City as reflected in the GP goals and policies and proposed land uses.

Responsibility: City Council, Community Development Department

Time Frame: ~~FY 1990-1991~~ Ongoing

Page 3-13

Implementation Program LU-10: The City shall coordinate with San Joaquin County, San Joaquin County LAFCO, and the City of Stockton to identify and designate an agricultural ~~and open-space~~ greenbelt around the urbanized area of the City. The priority area for establishment of the ag/greenbelt is the area located between Lodi and Stockton.

Responsibility: City Council, Planning Commission, Community Development Department

Time Frame: ~~FY 1991-1992~~ Ongoing

Implementation Program LU-11: The City shall establish an agreement, such as a Memorandum of Understanding (MOU), with San Joaquin County to ensure that land use actions requiring discretionary approval proposed in unincorporated areas located within Lodi's sphere of influence would only be approved if found consistent with Lodi's vision for the area and would include City review and recommended action on the proposal. Discretionary land use actions proposed for the City's unincorporated SOI areas that are inconsistent with Lodi's vision for the area should be denied. As a part of this MOU, an ongoing process shall be established by which it the City and San Joaquin County will cooperate and coordinate its land use planning processes with San Joaquin County and the City of Stockton to ensure consistency between each agency's with their plans for the area.

Responsibility: City Council, Planning Commission, Community Development Department

Time Frame: ~~FY 1991-1992~~ 2006-2007

Page 3-16

Implementation Program LU-19: The City shall establish a program addressing the long-range preservation and development within agriculture/greenbelt areas. This program shall include, at a minimum, a thorough planning process involving all interested stake-holders (including local farmers, residents and business owners within the City limits, study area, and surrounding community) that would result in the specific locations and intensities of land uses, circulation system, infrastructure, services, financing plan, as well as design guidelines and other implementation measures.

General Plan Section 7: Conservation (CON) Element

Page 7-4

Goal CON-C: To promote the economic viability of agriculture in and surrounding Lodi, and to ~~discourage the premature~~ prevent conversion of valuable agricultural lands located in and around the City's corporate boundaries to nonagricultural, urban uses, ~~while providing for urban needs.~~

Policy CON-C.1: The City shall ensure, in approving urban development near existing agricultural lands, that such urban development will not constrain agricultural practices or adversely affect the economic viability of adjacent agricultural practices.

General Plan Section 8: Parks, Recreation, and Open Space (PRO) Element

Page 8-3

Goal PRC-D: To provide adequate land for open space as a framework for urban development and to meet the active and passive recreational needs of the community, as well as to provide community separators between Lodi and adjacent communities.

Policy PRC-D.1: The City shall ~~discourage the premature~~ prevent conversion of agricultural lands located outside the City's corporate boundaries and sphere of influence to urban uses.

Policy PRC-D.3: The City should designate a continuous ~~open space~~ agriculture/greenbelt around the urbanized area of Lodi to protect open space and agricultural resources, and ~~preventing~~ Lodi from contributing to urban sprawl across the rich agricultural soil of the San Joaquin Valley.

General Plan Section 10: Urban Design and Cultural Resources (UDC) Element

Page 10-2

Rural and Agricultural Lands: The City is surrounded on all sides by rural and agricultural lands and uses, forming agriculture/greenbelt areas that physically separate Lodi from adjacent communities, such as Stockton to the south. The character of the edges between rural and urban environments is important to the City's identity and provides residents on either side of the edge with a sense of place. These rural and agricultural lands surrounding Lodi constitute are an important scenic resource that helps to visually define and enhance the City.

ARMSTRONG ROAD AGRICULTURAL/CLUSTER ZONING CLASSIFICATION
(Proposed by property owners in the subject area south of Lodi)

INTENT

The stated intent of this proposal "is to create a zoning classification known as the Armstrong Road Agricultural/Cluster Zoning classification. The purpose of this zoning classification is to promote a buffer area between the City of Lodi and the City of Stockton without depriving property owners located within the buffer area of their Constitutional and legal rights and to promoted this buffer area without the significant expenditure of taxpayer's money".

AREA COVERED BY PROPOSAL

The boundary of this proposal is one-half north and one-half mile south of the Armstrong Road centerline and will extend between State Highway Route 99 and Interstate I-5. The north and south boundaries may be altered to coincide with existing section lines.

PROPOSED LEGISLATIVE CHANGES

- The proposal would create a new zoning classification known as the Armstrong Road Agricultural/Cluster Zoning Classification in the San Joaquin County Development Code and appropriate language added.
- A new designation and language would be created in the S.J. Co. General Plan.
- The subject area would be identified on the S.J. Co. General Plan Land Use map and on the County Zoning map

PROPOSED PROVISIONS/RESTRICTONS IN THIS PROPOSED ZONE

- Subject area would remain under San Joaquin County jurisdiction.
- A property owner within this zone shall be entitled to create one residential parcel eligible for a building permit for each five-acres of land that a property owner owns. As an example, if a property owner owned 20-acres, they would be entitled to create 4 residential parcels.
- The eligible building site within this zone may be less than five-acres in size.
- The proposal encourages cluster development of the new residences but does not require this type of development. The intent of the clustering is to help preserve continued agricultural operations.
- Once a subdivision map is approved by the County, the subdivider shall enter into a binding agreement with the County relinquishing the right to further subdivide the property. This condition would only restrict the land covered by the subdivision map.

**LODI AGRICULTURE/GREENBELT COMMUNITY SEPARATOR
GENERAL PLAN AND SPHERE OF INFLUENCE AMENDMENTS**
(Proposed by the City of Lodi)

INTENT

The stated intent of this proposal is to “ensure that preservation of existing commercial agricultural agriculture/viticulture crop production, which establishes and provides the “agriculture/greenbelt” character and community separator of the plan area, is achieved”. Development in the subject area will be required to be consistent with the existing agricultural/rural uses on large parcels required by the current San Joaquin County General Agriculture designation.

AREA COVERED BY THE PROPOSAL

The area is located south of Lodi’s existing corporate boundary, extends ½ mile north of Armstrong Road to approximately ½ to ¾ mile south of Armstrong Road and will extend between Highway 99 on the east to approximately ½ mile west of Lower Sacramento Road on the west. The area encompasses approximately 3 ½ square miles or 2,280 acres.

PROPOSED LEGISLATIVE CHANGES

- Establish new Agriculture/Greenbelt designation for this area in the Lodi General Plan.
- Establish new implementation program for this agriculture/greenbelt planning area.
- Designate subject area as agriculture/greenbelt in the City of Lodi General Plan land use map.
- Amend the City’s Sphere of Influence (SOI) to include areas south of Armstrong Road.

PERMITTED USES IN THIS PROPOSED ZONE

- The proposed Agriculture/Greenbelt will not permit any additional development in the area except for uses that are currently permitted under the San Joaquin County General Plan General Agricultural (A/G) land use designation. This designation only permits agricultural related activities and divisions of land with a minimum size of 40-acres, with limited exceptions.

COMMUNITY SEPERATOR/GREENBELT TASK FORCE PROPOSAL – (NOT ADOPTED)

INTENT

The intent of this earlier proposal was to create a greenbelt/separator between the City of Lodi and the City of Stockton to permit the continuation of agricultural uses as provided in the San Joaquin County Zoning Ordinance while at the same time allowing limited residential development to occur to provide an economic benefit to property owners.

AREA COVERED BY THE PROPOSAL

The area covered by the proposal would be from ½ mile north of Armstrong Road to ½ mile south of Armstrong Road, extending west to Interstate 5 and east to Highway 99, with a focus on the area between Highway 99 and a line ½ mile west of Lower Sacramento Road.

PROPOSED LEGISLATIVE CHANGES

- Amend the San Joaquin County General Plan and Development Code to create language providing for a Lodi/Stockton Greenbelt/Separator designation and establishing implementation measures.
- Amend the City of Lodi General Plan and Zoning Ordinance to create language providing for the Lodi/Stockton Greenbelt/Separator designation and establishing implementation measures.
- Amend both the S. J. Co. County and City of Lodi Land Use Maps to identify the subject area with the Greenbelt/Separator designation.

PROPOSED PROVISIONS/RESTRICTIONS IN THE PROPOSED ZONE

- One credit (residential unit) per 10-acres of ownership, prorated to actual property size upon program adoption.
- One additional credit per 10-acres of ownership after 20 years.
- Credits must be used within the target area.
- Minimum lot size of residential parcel would be ½ or one acre, size not specifically determined.
- Limited public improvements that would promote the rural setting.
- Annex the entire target area to the City of Lodi and provide sewer and water service along Armstrong Road.

COMPARISON OF THREE PROPOSALS FOR AGRICULTURAL GREENBELT/COMMUNITY SEPARATOR

INTENT

- Both the Armstrong Road Agricultural/Cluster Zoning (Property Owners) proposal and the 2x2x2 Taskforce Community Separator (Taskforce) proposal would allow some development by allowing property owners to create new residential parcels.
- The City's Greenbelt/Community Separator (City) proposal would largely restrict development to uses permitted in the current S.J. County General Agriculture zone, which are agricultural related activities. For most of the area it would not allow new parcels of less than 40-acres to be created except under very limited circumstances.

AREA COVERED BY THE PROPOSAL

- Both the Property Owners proposal and the Taskforce proposal include the area ½ mile north of Armstrong Road to ½ mile south of Armstrong Road and from Highway 99 west to Interstate 5.
- The City proposal area is smaller and includes an area from ½ mile north of Armstrong Road to ½ to ¾ mile south of Armstrong Road and from Highway 99 to ½ mile west of Lower Sacramento Road.

PROPOSED PROVISIONS/RESTRICTIONS OF THE PROPOSALS

Annexation

- The Taskforce proposal would annex the area into the City of Lodi. The City would provide water and sewer service along Armstrong Road.
- The Property owner's proposal would leave the area in the County and no City services would be provided.
- The City proposal would leave the area in the County but include the area in the City of Lodi's Sphere of Influence. No City services would be provided.

Residential Density

- The Taskforce proposal would permit one credit (residential unit) for each 10-acres of ownership, prorated to actual property size. One additional credit per 10-acres would be available after 20 years. Credits must be used in the target area.
- The Property owner's proposal would permit the property owner to create one new residential parcel eligible for a building permit for each 5-acres of land that the property owner owns. The property owner would waive all rights to further subdivide the property covered by the subdivision.
- The City proposal would not permit any new subdivision of land unless it can comply with the current regulation of the AG-40 zoning that generally requires a 40-acre minimum lot size.

Location of New Residential Units

- The Taskforce proposal would permit the housing credit to be transferred to another property within the target area.
- The Property owner's proposal requires the subdivision to occur on the property owner's land.
- The City proposal does not permit new residential parcels to be created.

Lot Sizes

- The Taskforce proposal permits a minimum parcel size of $\frac{1}{2}$ to one acre in size. The exact size was not agreed on.
- The Property owner's proposal has a minimum parcel size for new residential lots to be 5-acres.
- The City proposal would not permit new residential parcels.

Clustering

- The Property owner's proposal encourages cluster development to promote continues agricultural operation of the surrounding land.
- The Taskforce proposal does not address how the residential parcels should be arranged.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive report on San Joaquin Local Agency Formation Commission (LAFCO) Draft Policies and Procedures.

MEETING DATE: August 21, 2007

PREPARED BY: Randy Hatch, Community Development Director

RECOMMENDED ACTION: Receive report on San Joaquin Local Agency Formation Commission (LAFCO) Draft Policies and Procedures.

BACKGROUND INFORMATION: LAFCO is governed by State regulations the most recent of which is contained within the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act). The Act requires LAFCO to adopt written policies and procedures and to act consistent with those policies and procedures. LAFCO has drafted such policies and procedures and held a workshop to receive comments. Comments were received from Cities, and other interested parties. A revised Draft dated August 17, 2007 was prepared which addresses some of the comments made (see attached).

A number of Lodi Staff's concerns were addressed by the revised Draft and are no longer a concern. Staff remains concerned about proposed policies regarding "Procedural Guidelines for Determining Sphere of Influence" page 2. Item 4 "Open Space and Rural Lands" seems to discourage the inclusion of open space and rural lands within a Sphere of Influence if such land is not planned for development. Some flexibility to this guideline may be considered if "the agency can demonstrate that a preservation plan can effectively preserve such lands within an agency's sphere". Staff is concerned with this language in that it could inhibit the City's option to include non-developable lands within our sphere to establish and maintain greenbelts or community separators. Under item 5 on page 3 community separators are encouraged so LAFCO does recognize the value of community separators.

The Draft Policies and Procedures does include the new concept of "Areas of Interest" (page 4) which would allow LAFCO to create some level of interest among a geographic area beyond a sphere with a particular city. This may be used to help create and maintain Greenbelts and Community Separators or some level of relationship between an area and a city. The problem with this "Area of Interest" is that little real control or influence is achieved. The Draft guidelines say another agency (i.e. the County) shall give "great weight" to the comments of the City for which this land is designated as an "Area of Interest". However, "great weight" is undefined and may not mean much.

LAFCO is holding a public hearing on the Draft Policies and Procedures on Friday, August 17, 2007. Staff will raise these questions regarding using a sphere of influence to develop and maintain greenbelts and Community Separators and what does an "Area of Interest" really mean.

Staff will report the results of LAFCO's hearing at the Shirtsleeve meeting.

APPROVED: _____

Blair King, City Manager

FISCAL IMPACT: None at this time.

FUNDING AVAILABLE: N/A



Randy Hatch
Community Development Director

RH/kjc

Attachment: San Joaquin Local Agency Formation Commission – Policies & Procedures

.....

SAN JOAQUIN
LOCAL AGENCY FORMATION
COMMISSION

POLICIES
AND PROCEDURES

DRAFT

August 17, 2007

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D R A F T

August 17, 2007

SPHERES OF INFLUENCE

The San Joaquin Local Agency Formation Commission is required to adopt a sphere of influence for each local governmental agency within its jurisdiction. A sphere of influence is defined as a "plan for the probable physical boundaries and service area of a local agency as determined by the Commission" (Government Code Section 56076). A sphere is primarily a planning tool that provides guidance in reviewing individual proposals. Inclusion within an agency's sphere does not indicate that an affected area automatically will be annexed; an adopted sphere of influence is only one of several factors the Commission must consider in reviewing individual proposals (Government Code Section 56668).

The sphere of influence process is perhaps the most important planning function given to LAFCo by the State Legislature. San Joaquin LAFCo shall use Spheres of Influence to:

1. Promote orderly growth and urban development.
2. Promote cooperative planning efforts among cities, the county and special districts to address concerns regarding land use and development standards, premature conversion of agriculture and open space lands, efficient provision of services, and discouragement of urban sprawl.
3. Serve as a master plan for future local government reorganization by providing long range guidelines for efficient provision of public services.
4. Guide consideration of proposals and studies for changes of organization or reorganization.

While LAFCo encourages the participation and cooperation of the subject agencies, Sphere of Influence Plans are a LAFCo responsibility and the Commission is the sole authority as to the sufficiency of the documentation and the Plan's consistency with law and LAFCo policy.

In determining a sphere of influence, the Commission is required to consider and make written determinations with respect to the following factors (Government Code Section 56425):

1. The present and planned land uses in the area, including agricultural and open space lands.
2. The present and probable need for public facilities and services in the area.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

A. PROCEDURAL GUIDELINES FOR DETERMINING SPHERES OF INFLUENCE

1. Timeframe: Territory that is currently receiving services from a local agency, or territory that is projected to need a local agency's services within a 0-20 year timeframe may be considered for inclusion within an agency sphere. "Sphere horizons" or planning increments should depict the agency's logical boundary at a time period of between 5 and 10 years and at the end of the 20 year time period.
2. Consistency Required: Territory will not be considered for inclusion within a City's sphere of influence unless the area is included within the city's general plan land use element. The adopted sphere of influence shall also ~~reflect~~ consider City and County general plans, growth management policies, annexation policies, resource management policies, and any other policies related to ultimate boundary area of an affected agency unless those plan or policies conflict with the legislative intent of the Cortese-Knox-Hertzberg Act (Government Code Section 56000 et seq.).

Where inconsistencies between plans exist, LAFCo shall rely upon that plan which most closely follows the legislature's directive to discourage urban sprawl, ~~direct development away from prime agricultural land and open space lands,~~ and encourage the orderly formation and development of local governmental agencies based upon local conditions and circumstances.

3. General Plan Approach: LAFCo would ~~favor~~ prefer a sphere of influence proposal where the city has adopted general plan policies, implementing ordinances and programs that address: smart growth principles; infill and redevelopment strategies to minimize conversion of open space/agricultural land; mixed use and increased densities; community buffers; and habitat, agriculture and open space preservation strategies.
4. Open Space and Rural Lands: Territory not in need of urban services, including open space, agriculture, recreational, rural lands, or residential rural areas shall not be assigned to an agency's sphere of influence unless the area's exclusion would impede the planned, orderly and efficient development of the area. Open space and agriculturally

designated lands as designated by the applying agency may be considered for inclusion within a sphere if the agency can demonstrate that a preservation plan can effectively preserve such lands within the agency's sphere.

5. Community Separators: Sphere of influence boundaries shall, to the extent ~~possible~~feasible, maintain a separation between existing communities to protect open space and agricultural lands and the identity of an individual community.
6. Regional Housing Needs: The sphere of influence plans for cities should consider the agency's policies and approaches to meet its fair share of regional housing needs.
7. Districts and Cities: LAFCo shall encourage districts and cities to develop plans for the orderly detachment, merger/dissolution of a district when districts have significant territory within a proposed city's sphere of influence.
8. Types of Spheres:
 - a. A special district that provides services, which ultimately will be provided by another agency, will be assigned a **zero sphere**.
 - b. If additional information is necessary to determine a sphere boundary, but is currently unavailable, a **partial sphere** may be approved and a **special study area** may be designated.
 - c. A local agency may be allocated a **coterminous sphere** if there is no anticipated need for the agency's services outside its existing boundaries, or if there is insufficient information to support inclusion of areas outside the agency's boundaries in the sphere of influence.
9. Sphere Hierarchy: Where an area could be assigned to the sphere of influence of more than one agency providing needed service, the following hierarchy shall apply dependent upon ability to serve, *unless an agency or district has specialized capacity to provide such service*:
 - a. Inclusion within a municipality sphere of influence.
 - b. Inclusion within a multipurpose district sphere of influence.
 - c. Inclusion within a single-purpose district sphere of influence.

10. Areas of Interest: LAFCo may, at its discretion, designate a geographic area beyond the sphere of influence as an Area of Interest to any local agency.
 - a. Areas of Interest is a geographic area beyond the sphere of influence in which land use decisions or other governmental actions of one local agency (the "Acting Agency") impact directly or indirectly upon another local agency ("the Concerned Agency").
 - b. Within each Area of Interest there is to be no more than one city.
 - c. LAFCo will notify any Concerned Agency when LAFCo receives notice of a proposal of another agency in the Area of Concern/Interest and will give great weight to its comments.
 - d. LAFCo encourages agencies to provide advance notice to other agencies of any action or project being considered within the Area of Interest and commit to considering any comments made by the other agency.
11. Adoption and Revision: LAFCo will adopt a sphere of influence after a public hearing and pursuant to the procedures set forth in Section 56427 of the Cortese-Knox-Hertzberg Act. Sphere actions are subject to the provisions of the California Environmental Quality Act. A sphere of influence shall be updated every five years or more often if deemed necessary by the Commission. Whenever possible, city sphere updates shall be scheduled to coincide with City General Plan updates.

B. SPHERE OF INFLUENCE PLAN

The Sphere of Influence Plan for each governmental agency within San Joaquin LAFCo jurisdiction shall contain each of the following:

1. Present and planned land uses in the area including agricultural and open space lands.
 - a. A map defining the probable 20 year boundary of its service area and defining the agency's sphere horizons at the end of the 5-10 and 20-year time period coordinated with the Municipal Service Review.
 - b. Maps and explanatory text delineating the following:
 - (1.) Present land uses including improved and unimproved development, agricultural lands and open space areas.

(2.) Propose future use of the area.

2. The present and probable need for public facilities and services (i.e., water sewer, drainage, police and fire) for the sphere including the need of all types of major facilities not just those provided by the agency.
3. The present capacity of public facilities and adequacy of public services that the agency provides or it's authorized to provide.
4. Identification of any social or economic communities of interest.
5. A phasing plan for annexation of territory in the sphere of influence that is time-coordinated (5-10 and 20 year time period) and consistent with the Municipal Service Review.
6. Existing and projected population at the various sphere horizons.

C. AMENDMENTS AND UPDATES OF SPHERES

1. Amendments and Updates Defined: Amendments generally involve discrete changes to a Sphere of Influence Map or Plan that are proposed by an agency or individual to accommodate a specific proposal. An amendment may or may not involve changes to the Municipal Service Review of the agency.

Updates generally involve a comprehensive review of the entire sphere of influence, including the map and Municipal Service Review.

2. Amendments Required: An amendment to the Sphere of Influence Plan will be required in the following circumstances:
 - a. When an agency seeks to add new territory or remove territory from its sphere.
 - b. When an agency seeks to move territory already within its sphere from one sphere horizon to another.
 - c. When a district seeks to provide a new or different function or class of service.
 - d. When an agency proposes a significant change in its plans for service which makes the current Municipal Service Review inaccurate.

- ~~3. General Requirements: LAFCo will generally treat an update or a proposed amendment to an agency's sphere of influence similarly to an application for approval of a sphere of influence.~~
43. Precedence of Amendments over Annexations: Sphere of influence amendments shall precede consideration of proposals for changes of organization or reorganization. Proposals may be considered at the same meeting.
54. Consistency Required: Amendment proposals must be consistent with an updated Municipal Service Review.
65. Demonstrated Need Required: An application for amendment to a sphere of influence must demonstrate a projected-probable need or (in the case of reduction of the sphere) lack of need or capacity to provide service.
- ~~7. Open Space and Prime Agricultural Land: Amendment proposals involving sphere expansion to include open space or prime agricultural land will not be approved by LAFCo if there is sufficient alternative land available for annexation within the existing sphere of influence.~~
86. Sphere of Influence Amendment and Update Procedures: As required by Government Code Section 56425, each request for sphere amendment or update must be heard in a public hearing and is subject to the provisions of the California Environmental Quality Act.

D R A F T

August 17, 2007

SERVICE REVIEW POLICIES

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo to conduct service reviews prior to establishing or updating spheres of influence. A service review is a comprehensive review of services within a designated geographic area intended to obtain information about municipal or agency services. Its purpose is to evaluate the provision of services from a comprehensive perspective and recommend actions, when necessary, to promote the efficient provision of those services. The service reviews are intended to serve as a tool to help LAFCo, the public and other agencies better understand the public service structure and evaluate options for the provision of efficient and effective public services. LAFCo must have a current Municipal Service Review (MSR) that demonstrates that the agency can provide adequate and efficient services to the areas included within the agency's sphere.

A. GENERAL STANDARDS

1. Guidelines: The Municipal Service Review Guidelines (August 2003) prepared by the State Office of Planning and Research shall be used as a ~~framework- background~~ for preparing service reviews for a jurisdiction or agency.
2. Timeline: The service review must present information on future projections and plans tied to the 5-10, and 20-year sphere horizons of the Sphere of Influence Plan, so that service information can be clearly tied to the plan. In the case of cities, a shorter timeframe may be appropriate if the applicable General Plan has a shorter planning period remaining when the service review is prepared.
3. Adequate Services Required: The service review must demonstrate that adequate services ~~will~~ can be provided within the time that the inhabitants of the area will need them.
4. Completion Date: Initial Service Reviews should be completed by January 2008 and will be reviewed and updated as necessary but no later than every five years in conjunction with or prior to Spheres of Influence reviews and updates. Minor amendments to a Sphere of Influence, as determined by LAFCo, may not require a service review. Service reviews may need to be updated independent of a Sphere of Influence review, as determined by LAFCo, to facilitate review of a pending application or other LAFCo action.

5. Identification of Land Uses: The Service Review must identify existing land use and give a reasonable projection of land use, which would occur if services were provided consistent with the MSR.
6. Consistency Required: Service reviews must be internally consistent and consistent with any overlapping jurisdiction.
7. Existing Resources: Use of existing information resources, technical support from the county, cities and special districts when available and adequate shall be used to reduce processing costs and improve the timeliness of the reviews.
8. Affected Agencies: Service reviews will cover a range of services that a public agency provides or is authorized to provide (i.e. fire, water, sewer, police, and storm water). General government services such as social services and criminal justice need not be addressed. Agencies that are required to have SOIs and require service reviews include: cities (7), special independent districts (104), and dependent districts (45). Countywide districts (i.e., San Joaquin County Resource Conservation District, San Joaquin Mosquito and Vector Control) will not require preparation of service reviews.
9. Organization of Service Reviews: A service review may be conducted for sub-regional areas within the county or on a countywide basis, it may review a single agency or multiple agencies and it may review a single service or multiple services. LAFCo will determine how service reviews will be organized and conducted in San Joaquin County.
10. Information Sharing: LAFCo encourages collaboration, cooperation and information sharing among service providers and encourages public participation in the process.
11. City Services Plans: City Services Plans used in conjunction with a proposed change of organization shall be ~~consistent~~ in conformity with the MSR.
12. Cross-county MSRs: LAFCo will work together with other County LAFCo's to develop a schedule and plan for managing cross-county MSRs.

B. SPECIFIC MUNICIPAL SERVICE REVIEW REQUIREMENTS:

The focal point of the service review process lies with the preparation of written statements of determination regarding the agency's ability to provide services.

Determinations cannot merely cite some broad policy statement from the General Plan or recite a series of actions that might be undertaken. The determinations need to be declaratory statements that arrive at a conclusion based on all of the information and evidence presented to the Commission. The determinations need to bridge the gap between raw data and the final conclusion about the status or condition of the service that is under review. The Commission needs this information to determine the appropriateness of the sphere.

The Cortese-Knox-Hertzberg Act requires LAFCO to make written evaluations on nine categories. The following is a brief description of the determination and the standard for which the service will be reviewed:

Determination 1: Infrastructure needs or deficiencies

Refers to the status of existing and planned public facilities and its relationship to the quality and levels of service that are, can and need to be provided. Infrastructure needs and deficiencies can be evaluated in terms of supply, capacity, condition of facilities, and service quality with correlations to operational, capital improvement, and finance plans. Maps and explanatory text that clearly indicate the location of existing facilities and proposed facilities, including a plan for the timing and location of new or expanded facilities need to be included. The identification of the anticipated service level needs to be tailored to the 5-10, and 20-year sphere horizons.

Determination 2: Growth and Population projections for the affected area

The need for, and patterns of, service provision should be determined by existing and anticipated growth patterns and population projections. The municipal service review will evaluate whether projections for future growth and population patterns are integrated into an agency's planning function. This analysis will be used to determine whether the sphere boundaries reflect expected growth boundaries. Consideration should be given to the impact on growth/land use patterns for adjacent areas, on mutual or regional social and economic interests, on open space and agricultural land, and on the government structure of the county.

Determination 3: Financing constraints and opportunities

A community's public service needs should be viewed in light of the resources available to fund the services. The MSR will need to evaluate factors that affect the financing of necessary improvements and whether agencies are capitalizing on financing opportunities and collaborative strategies to deal with financial constraints.

Determination 4: Cost avoidance opportunities

LAFCO's role in encouraging efficiently provided public services depends, in part on helping local agencies, explore cost avoidance opportunities. Cost

avoidance opportunities include those that eliminate unnecessary costs derived from:

- ▶ Duplication of services and facilities;
- ▶ High administration to operational cost ratios;
- ▶ Reliance on outdated or deteriorating infrastructure and equipment underutilized equipment or buildings or facilities;
- ▶ Overlapping/inefficient service boundaries;
- ▶ Lack of economies of scale; and
- ▶ Increasing profitable outsourcing

Determination 5: Opportunities for rate restructuring

The MSR will review agency rates and charges for public services and examine opportunities for rate restructuring without adversely affecting service quality of service. Rates will be reviewed for rate setting methodologies and conditions that could impact future rates.

Determination 6: Opportunities for shared facilities

The service review should identify opportunities for jurisdictions to share facilities and resources creating a more efficient service delivery system. Sharing facilities and utilizing excess capacity in another agency's service system works to avoid service duplications, reduces costs, and minimizes unnecessary resource consumption. The service review will need to inventory facilities within the study area to determine if facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies. Options for planning for future shared facilities and services will also be considered.

Determination 7: Government structure options

The MSR will consider the advantages and disadvantages of various government structures that could provide public services. San Joaquin LAFCo encourages local agencies to use service reviews to determine whether initiation of proceedings for changes of organization and reorganization, including spheres of influence, would be in order and in the best interests of the agency and the community it serves. LAFCo will examine efficiencies that could be gained through: (1) functional reorganizations within existing agencies; (2) amending or updating spheres of influence; (3) annexations or detachments from cities or special districts; (4) formation of new special districts; (5) special district dissolutions; (6) merges or special districts with cities; (7) establishment of subsidiary districts; or (8) any additional reorganization options found in the LAFCo statute.

Determination 8: Evaluation of management efficiencies

Management efficiency refers to the quality of public services and the agency's ability to provide services. Efficiently managed entities consistently implement plans to improve service delivery, reduce waste, eliminate duplications of effort, contain costs, build and maintain adequate contingency reserves, and

encourage open dialogues with the public and other public and private agencies. The MSR will evaluate management efficiency by analyzing agency functions, operations, and practices as well as the agency's ability to meet current and future service demands.

Determination 9: Local accountability and governance

In making a determination of local accountability and governance, LAFCO will consider the degree to which the agency fosters local accountability. Local accountability and governance refers to public agency decision making and operational and management processes that: (1) include an accessible and accountable elected or appointed decision making body and agency staff; (2) encourage and value public participation; (3) disclose budgets, programs, and plans; (4) solicit public input when considering rate changes and work and infrastructure plans; and (5) evaluate outcomes of plans, programs and operations and disclose results to the public.

C. PUBLIC PARTICIPATION AND PUBLIC HEARINGS

LAFCo encourages the early involvement of agencies, the public, and other stakeholders in development of the service review report. A formal review period shall be provided and a meeting/workshop with the Commission shall be held to accept comments from the public and the Commissioners prior to finalizing the document. The final report shall be available to the public at least 21 days prior to final consideration by the Commission. This public review period may be in conjunction with the 21-day notice requirement for the public hearing. The service review shall be adopted by resolution at a noticed public hearing. If the municipal service review supports a particular action such as a sphere of influence update or amendment application, and the required processes have been complied with, the Commission can take action on the proposals the same hearing.

D. CEQA DETERMINATION

LAFCo will consider service reviews, as projects for CEQA purposes and will be processed consistent with the requirements of CEQA and LAFCo's CEQA procedures.

[Note: At the time of writing this policy, a bill (AB 1263) is pending in the State Legislature that could revise the Municipal Service Review Determinations. Should this legislation become law the above policies are intended to reflect any approved revisions.]

D R A F T

August 17, 2007

ANNEXATION POLICIES AND PROCEDURES (Including reorganizations)

GENERAL STANDARDS FOR ANNEXATION AND DETACHMENT

These standards govern LAFCo determinations regarding annexations and detachments to and from all agencies. The annexations or detachments must be consistent with the general policies set forth in these Policies and Procedures.

1. Consistency with Spheres and Municipal Service Reviews

The annexation or detachment must be consistent with the internal planning horizon of the sphere of influence. The land subject to annexation shall normally lie within the first planning increment (5-10 year) boundary. The annexation must also be consistent with ~~consider~~ the applicable Municipal Service Review. An annexation shall be approved only if the Municipal Services Review and the Sphere of Influence Plan demonstrates that adequate services ~~will~~ can be provided with the timeframe needed by the inhabitants of the annexed area. If detachment occurs, the sphere will be modified.

LAFCo generally will not allow spheres of influence to be amended concurrently with annexation proposals.

Proposed annexations of land that lie outside of the first planning horizon (5-10 year) are presumed to be inconsistent with the Sphere Plan. In such a case the agency must first request LAFCo to consider a sphere amendment pursuant to the above policies. If the amendment is approved, the agency may then proceed with the annexation proposal. A change of organization or reorganization will not be approved solely because an area falls within the SOI of any agency.

As an exception to the presumed inconsistency mentioned above, Master Plan and Specific Plan developments may span several planning horizons of the sphere of influence. Annexation of the entire project area may be desirable in order to comprehensively plan and finance infrastructure and provide for amenity-based improvements. In these cases, no amendment of the planning horizon is necessary provided project phasing is recognized in the Sphere of Influence Plan.

2. Plan for Services

Every proposal must include a Plan for Services that addresses the items identified in Section 56653 of the Government Code. The Plan for Services must be consistent with the Municipal Service Review of the Agency.

Proponents must clearly demonstrate that the city or special district is capable of meeting the need for services.

3. Contiguity

Territory proposed to be annexed to a city must be contiguous to the annexing city or district unless specifically allowed by statute. Territory is not contiguous if the only connection is a strip of land more than 300 feet long and less than 200 wide, that width to be exclusive of highways. The boundaries of a proposed annexation or reorganization must not create or result in areas that are difficult to serve.

4. Development Within Jurisdiction

Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction or within the sphere of influence shall should be encouraged before any proposal is approved which would allow for or lead to the development of existing open space lands for non-open space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency. (Section 56377)

5. Progressive Urban Pattern

Annexations to agencies providing urban services shall be progressive steps toward filling in the territory designated by the affected agency's adopted sphere of influence. Proposed growth shall be from inner toward outer areas.

6. Piecemeal Annexation Prohibited

LAFCo requires annexations and detachments to be consistent with the schedule for annexation that is contained in the agency's Sphere of Influence Plan. LAFCo will modify small piece-meal or irregular annexations, to include additional territory in order to promote orderly annexation and logical boundaries, while maintaining a viable proposal. In such cases, detailed development plans may not be required for those additional areas but compliance with CEQA is required.

7. Annexations to Eliminate Islands

Proposals to annex islands or to otherwise correct illogical distortion of boundaries will normally be approved unless they would violate another provision of these standards. In order to avoid the creation of an island or to encourage the elimination an existing island, detailed development plans may not be required for the remnant areas.

8. Annexations that Create Islands

An annexation will not be approved if it will result in the creation of an island of unincorporated territory of otherwise cause or further the distortion of existing boundaries. The Commission may nevertheless approve such an

annexation where it finds that the application of this policy would be detrimental to the orderly development of the community and that a reasonable effort has been made to include the island in the annexation but that inclusion is not feasible at this time.

9. Substantially Surrounded

For the purpose of applying the provisions of the Cortese-Knox-Hertzberg Act regarding island annexation without protest hearings (section 56375.5), the subject territory of an annexation proposal shall be deemed "substantially surrounded" if it is within the sphere of influence of the affected city and two-thirds (66-2/3%) of its boundary is surrounded by the affected city.

10. Definite and Certain Boundaries

All boundaries shall be definite and certain and conform to lines of assessment or ownership. The Commission's approval of boundary change proposals containing split parcels will typically be subject to a condition requiring the recordation of a parcel map, lot line adjustment or other instrument to avoid creating remnants of legal lots.

11. Service Requirements

An annexation shall not be approved merely to facilitate the delivery of one or a few services to the detriment of the delivery of a larger number of services or service more basic to public health and welfare.

12. Adverse Impact of Annexation on the Other Agencies

LAFCo will consider the any significant adverse effects upon other service recipients or other agencies serving the area and may condition any approval to mitigate such impacts.

CITY ANNEXATIONS

1. Annexation of Streets

Annexations shall reflect the logical allocation of streets and rights of way as follows:

- Territory should be included within the annexation to assure that the city reasonably assumes the burden of providing adequate roads to the property to be annexed. LAFCo will require cities to annex streets where adjacent lands that are in the city will generate additional traffic or where the annexation will isolate sections of county road. Cities shall include all contiguous public roads that can be included without fragmenting governmental responsibility by alternating city and county road jurisdiction over short section of the same roadway

- When a street is a boundary line between two cities the centerline of the street may be used as the boundary or may follow a boundary reached by agreement of the affected cities.

2. Pre-zoning Required

The Cortese-Knox-Hertzberg Act requires the city to pre-zone territory to be annexed, and prohibits subsequent changes to the General Plan and /or pre-zoning designations for a period of two years after completion of the annexation, unless the city council makes a finding at a public hearing consistent with the provisions of Governments Code Section 56375(e). In instances where LAFCo amends a proposal to include additional territory, the Commission's approval of the annexation will be condition upon the pre-zoning the new territory.

CITY COUNCIL

BOB JOHNSON, Mayor
JOANNE MOUNCE,
Mayor Pro Tempore
LARRY D. HANSEN
SUSAN HITCHCOCK
PHIL KATZAKIAN

CITY OF LODI

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BLAIR KING, City Manager
RANDI JOHL, City Clerk
D. STEPHEN SCHWABAUER
City Attorney

Thursday, August 16, 2007

San Joaquin Local Agency formation Commission
1860 East Hazelton Avenue
Stockton, CA 95205

Subject: Draft Policies and Procedures

Dear Chair Mow and Members of the Commission

The City of Lodi appreciates the opportunity to comment on the Draft Policies and Procedures. On behalf of the City of Lodi, I have reviewed the Draft dated July 20, 2007, the revised Draft dated August 17, 2007, various comment letters from cities and interested parties, and the executive officers report and analysis.

First, a number of Lodi's concerns were addressed by the revisions of the August 17, 2007 Draft and are no longer a concern. However, Lodi is deeply concerned with the policies and procedures as they relate to Sphere of Influence. As part of our on-going General Plan Update, Lodi is concerned with our sense of community, economic viability and preserving and enhancing our agricultural base and growing wine related industry. Key to these City goals and objectives is the ability of Lodi to have a meaningful influence regarding potential development and land uses adjacent to and surrounding Lodi. A Sphere of Influence is a State recognized method by which Lodi can achieve these goals and objectives and would necessarily include areas that, while they may not be designated for urban development, are part of our social and economic community. Further to aid and promote agriculture and wine related industry, Lodi currently does provide and may continue to expand, infrastructure and utility services into this area.

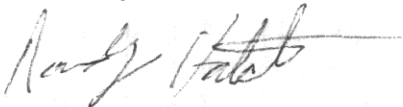
I am concerned about proposed policies regarding "Procedural Guidelines for Determining Sphere of Influence" page 2. Item 4 "Open Space and Rural Lands" seems to discourage the inclusion of open space and rural lands within a Sphere of Influence if such land is not planned for development. Some flexibility to this guideline may be considered if "the agency can demonstrate that a preservation plan can effectively preserve such lands within an agency's sphere". I am

concerned with this language in that it could inhibit Lodi's option to include non-developable lands within our Sphere to establish and maintain agricultural areas or community separators. Under item 5 on page 3 community separators are encouraged so LAFCO does recognize the value of community separators. Clear and explicit language needs to be added to recognize that a Sphere may be large enough to include such lands.

The Draft Policies and Procedures does include the new concept of "Areas of Interest" (page 4) which would allow LAFCO to create some level of interest among a geographic area beyond a Sphere with a particular city. This may be used to help create and maintain agricultural areas and Community Separators or some level of relationship between an area and a city. The problem with this "Area of Interest" is that little real control or influence is achieved. The Draft guidelines say another agency (i.e. the County) shall give "great weight" to the comments of the City for which this land is designated as an "Area of Interest". However, "great weight" is undefined and may not mean much. If this concept of an "Area of Interest" is to be enacted clear power and influence must be established for the designated city. A strengthened "Area of Interest" may be used by a city to do long range infrastructure planning knowing that their efforts would not be rendered void by a neighboring city's annexation plans or by unincorporated urban level development. I urge you to establish enhanced powers and authorities for a designated city and it's "Area of Interest".

Thank you for the opportunity to share Lodi's concerns with you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Randy Hatch", with a long horizontal flourish extending to the right.

Randy Hatch
Community Development Director
City of Lodi

RH/kjc